1	H.368
2	Introduced by Representative Rogers of Waterville
3	Referred to Committee on
4	Date:
5	Subject: Health; Green Mountain Care Board; hospitals; accountable care
6	organizations; budget review
7	Statement of purpose of bill as introduced: This bill proposes to require
8	hospitals and accountable care organizations, as part of their annual budget
9	reviews, to disclose to the Green Mountain Care Board the same salary and
10	other compensation information that must be disclosed to the Internal Revenue
11	Service on Form 990. The bill would direct the Green Mountain Care Board to
12	evaluate the reasonableness of the salaries and other compensation and would
13	specify that the salary and other compensation information must be made
14	available to the public upon request.
15 16	An act relating to hospital and accountable care organization salary information
17	It is hereby enacted by the General Assembly of the State of Vermont:
18	Sec. 1. 18 V.S.A. § 9382(b)(1) is amended to read:
19	(b)(1) The Green Mountain Care Board shall adopt rules pursuant to
20	3 V.S.A. chapter 25 to establish standards and processes for reviewing,

1	modifying, and approving the budgets of ACOs with 10,000 or more attributed
2	lives in Vermont. To the extent permitted under federal law, the Board shall
3	ensure the rules anticipate and accommodate a range of ACO models and sizes,
4	balancing oversight with support for innovation. In its review, the Board shall
5	review and consider:
6	* * *
7	(D) the character, competence, fiscal responsibility, and soundness of
8	the ACO and its principals, including the reasonableness of the salary and
9	other compensation for the ACO's officers, directors, key employees, and
10	other highly compensated employees based on the information submitted
11	pursuant to section 9574 of this title;
12	* * *
13	Sec. 2. 18 V.S.A. § 9454 is amended to read:
14	§ 9454. HOSPITALS; DUTIES
15	(a) Hospitals shall file the following information at the time and place and
16	in the manner established by the Board:
17	(1) a budget for the forthcoming fiscal year;
18	(2) financial information, including:
19	(A) costs of operation;
20	(B) revenues;
21	(C) assets;

1	(D) liabilities;
2	(E) fund balances;
3	(F) other income;
4	( <u>G</u> ) rates;
5	(H) charges;
6	(I) units of services; and
7	(J) wage and salary data, including all of the same salary and other
8	compensation information for officers, directors, key employees, and other
9	highly compensated employees that the hospital provided to the U.S. Internal
10	Revenue Service on Form 990 and related attachments for the most recent tax
11	<u>year;</u>
12	* * *
13	Sec. 3. 18 V.S.A. § 9456 is amended to read:
14	§ 9456. BUDGET REVIEW
15	(a) The Board shall conduct reviews of each hospital's proposed budget
16	based on the information provided pursuant to this subchapter and in
17	accordance with a schedule established by the Board.
18	(b) In conjunction with budget reviews, the Board shall:
19	* * *

1	(10)(A) require each hospital to provide information on administrative
2	costs, as defined by the Board, including specific information on the amounts
3	spent on marketing and advertising costs, including all of the same salary and
4	other compensation information for officers, directors, key employees, and
5	other highly compensated employees that the hospital provided to the
6	U.S. Internal Revenue Service on Form 990 and related attachments for the
7	most recent tax year;
8	(B) evaluate the reasonableness of the salaries and other
9	compensation for the hospital's officers, directors, key employees, and other
10	highly compensated employees in relation to regional averages for similarly
11	situated individuals; and
12	* * *
13	Sec. 4. 18 V.S.A. § 9457 is amended to read:
14	§ 9457. INFORMATION AVAILABLE TO THE PUBLIC
15	(a)(1) Information required to be filed under this subchapter shall be made
16	available to the public upon request in accordance with 1 V.S.A. chapter 5,
17	subchapter 3 (Public Records Act), except that information that directly or
18	indirectly identifies individual patients or health care practitioners shall be kept
19	confidential.
20	(2) Notwithstanding subdivision (1) of this subsection, a health care
21	practitioner's salary and other compensation information disclosed pursuant to

1	subdivision 9454(a)(2)(J) of this title shall be made available to the public
2	upon request.
3	* * *
4	Sec. 5. 18 V.S.A. § 9574 is added to read:
5	§ 9574. SALARY AND COMPENSATION INFORMATION; BUDGET
6	REVIEW
7	(a) As part of its submission of financial information for the Green
8	Mountain Care Board's budget review in accordance with section 9382 of this
9	title, an accountable care organization shall provide salary and other
10	compensation information for its officers, directors, key employees, and other
11	highly compensated employees for the previous calendar year to the same
12	extent that the organization would have been required to provide the
13	information to the U.S. Internal Revenue Service on Form 990 and related
14	attachments for the most recent tax year if the organization was exempt from
15	federal income tax under 26 U.S.C. § 501.
16	(b) The salary and other compensation information provided to the Green
17	Mountain Care Board pursuant to subsection (a) of this section shall be made
18	available to the public upon request.
19	Sec. 6. EFFECTIVE DATE
20	This act shall take effect on passage.